

approved

## Senior tax credit task force

### Minutes of the January 25, 2007, meeting

The Senior Tax Credit Task Force met on January 25, 2007, in the Ellicott Room, Howard Building, 3430 Courthouse Dr., Ellicott City, MD, at 2 pm.

The following members of the task force were in attendance: Ted Meyerson, Colin Burke, Don Dunn, Frank Chase, Janice Bloodworth, Joel Yesley, Pat Dornan, Randy Nixon, Ron Weinstein, Sara Hamer, Sharon Greisz, Sherman Howell, Susan Buswell, and Curt Curtis.

Others from staff in attendance were Jeff Bronow, Leo Oken, Jeff Meyers, Linda Watts, Donald Stitely, Ali Shirazie, Terri Hansen, and Diana Coll.

The meeting was open to the public and press.

Chairman Meyerson called the meeting to order at 2pm

The task force reviewed the arrangements for the January 30 visits to senior centers and for the public hearing that evening. The public hearing will be recorded for archival purposes.

The task force agreed on a policy for responding to requests for the roster, namely that a roster will be given on request and will include contact information for the County Council staff. Correspondence received by staff will be redistributed to all task force members and filed in the County Council office. The file is open to public inspection.

The minutes from the January 23, 2007, meeting were unanimously approved by the task force.

Mr. Bronow distributed a document that showed the result when multiple tax credits are applied. Generally, lower income taxpayers benefit substantially from the Homeowners' Tax Credit (HTC - "circuit breaker"). A taxpayer would have to have an income of around \$35,000 before the taxpayer would benefit from the senior tax credit. In other words, the senior tax credit mostly helps those with incomes between \$35,000 and the income limit - \$75,000.

Mr. Weinstein distributed a document that showed the number of senior-owned households by income. The margin of error on the underlying census data is large, however, the document indicated that the number of households in the \$35,000 to \$75,000 range is probably fewer than 2000.

Ms. Watts distributed a chart that showed how the senior tax credit would accumulate over time. Tax bills typically increase 5% per year (the County's homestead cap), because the credit brings the tax bill down to below the base year tax bill, after several years, the credit becomes quite large.

Ms. Watts also described what is included in "combined income" and showed how the Department of Finance collects that information for those in the tax deferral program.

The task force discussed whether the senior tax credit should be progressive. Some members thought that, like the HTC, the senior tax credit should be progressive and provide greater credits to lower income taxpayers.

The task force discussed whether the senior tax credit should be subject to an asset test. Some assets are relatively liquid and some are not, thus, an asset test might have different results for different taxpayers depending on the kind of assets held. The task force discussed whether there were ways to categorize kinds of assets for purposes of an asset test.

The task force adjourned at 3:40 pm.

Respectfully submitted,

Jeffery Meyers